

AGENDA: April 22, 2003

7.1

CATEGORY: Unfinished Business

DEPT.: Public Works

TITLE: Avenidas Senior Day Health Care—Approval of Lease and Disposition and Development Agreement Terms

RECOMMENDATION

Authorize the City Manager to enter into a Disposition and Development Agreement (DDA) and a lease with Avenidas to construct, maintain and operate a senior day health-care facility at the City Senior Center site on Escuela Avenue pursuant to the terms outlined in Attachment 1 of the staff report.

FISCAL IMPACT

The City will collect no rent from Avenidas but also will not incur any construction, maintenance or operation expenses for the senior day health-care facility.

BACKGROUND AND ANALYSIS

In December 2002, the City Council authorized staff to negotiate with Avenidas to provide a senior day health-care facility at the Senior Center site on Escuela Avenue at the location designated for this use in the Senior Center/Community Center Master Plan adopted by Council on November 12, 2002. Staff has met with Avenidas and prepared Attachment 1, Avenidas Term Sheet, showing the proposed terms of their tenancy. The highlights of the terms are as follows:

- The City to lease to Avenidas 8,700 square feet of property at the Senior Center for an 8,700 square foot building.
- A 40-year term with two 10-year mutually agreeable extensions at no rent.
- Quality of care to be assured through maintenance of a State of California license to operate the programs at the site.
- A graduated increase in Mountain View resident participation beginning at a minimum of 20 percent through the first three years and increasing to 40 percent after the fifth and thereafter calculated on a rolling two-year basis.
- Avenidas to maintain a subsidy program for low-income participants.
- Avenidas to provide an annual report to the City, including enrollment statistics, an income and expense statement, prospective client statistics, marketing activities, program budget and a map of the service area.
- Avenidas to participate in the maintenance costs for their share of the grounds and parking lot.

- Avenidas building architectural design to be consistent with the Senior Center.

Avenidas will provide senior day health care for seniors who wish to remain in their homes but require daytime assistance. Avenidas provides transportation to the site, healthy snacks and meals to participants and occupational/physical therapy with a doctor's prescription. Avenidas will complement Senior Center programs and broaden the scope of services provided at the site. They are a nonprofit organization fully licensed by the State of California.

Avenidas is an organization with a substantial financial endowment. They intend to conduct a fund-raising campaign but will not seek outside debt financing to construct a new facility.

SCHEDULE

Avenidas' time frame is ambitious but achievable. They would like to construct and occupy a new facility by August 2005 when their current lease expires in Palo Alto. Avenidas will obtain all the usual building permits and environmental clearances prior to construction.

The Public Works Department will work with them throughout the design and construction process to ensure coordination with the Senior Center project.

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PUBLIC NOTICING—Agenda posting.

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907-04-22-03M-E^

cc: Ms. Lisa Hendrickson
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Avenidas

Attachment: 1. Avenidas Term Sheet

CPM(A), RPM, RS—Petersen, F/c